

Department of Housing & Community Affairs Performance Plan

Rick Nelson, Director
March 21, 2008

Agenda

- Welcome and Introductions
- DHCA At-A-Glance
- Impact of Savings Plan and Hiring Freeze on performance
- Headline Measures
- Strategy for development of measures
- Wrap-up



CountyStat Principles

- Require Data-Driven Performance
- Promote Strategic Governance
- Increase Government Transparency
- Foster a Culture of Accountability



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DHCA's Contribution to Montgomery Results

- A Responsive and Accountable County Government
- Affordable Housing in an Inclusive Community
- An Effective and Efficient Transportation Network
- Children Prepared to Live and Learn
- Healthy and Sustainable Communities
- Safe Streets and Secure Neighborhoods
- A Strong and Vibrant Economy
- Vital Living for all of Our Residents



DHCA At-A-Glance

| What DHCA Does and for Whom | How Much |
|--|--|
| <u>Overall</u> The mission of the Department of Housing and Community Affairs is to: plan and implement activities which prevent and correct problems that contribute to the physical decline of residential and commercial areas, ensure fair and equitable relations between landlords and tenants, increase the supply of new affordable housing; and maintain existing housing in a safe and sanitary condition. | <ul style="list-style-type: none">▪ FY '08 Budget: \$59,256,350▪ WY 90.6▪ 88 Full time; 5 Part time positions FY'08 Budget |
| <u>Multi-Family and Single-Family Housing Programs</u> Produce and preserve single and multifamily affordable housing. | <ul style="list-style-type: none">▪ \$43,778,980 TOTAL (73.9% of budget)▪ 20.6 WY (22.7% of personnel) |
| <u>Housing Code Enforcement</u> Enforce the housing code for single and multifamily housing, including inspecting all multifamily units every 3 years (annually in Takoma Park) | <ul style="list-style-type: none">▪ \$2,978,210 (5% of budget)▪ 31.9 WY (35.2% of personnel) |



DHCA At-A-Glance

| What DHCA Does and for Whom | How Much |
|--|--|
| <u>Commercial Revitalization</u> Make loans, provide technical assistance, develop comprehensive plans, and engage community in neighborhood and commercial revitalization | <ul style="list-style-type: none">▪ \$6,311,820 (10.6% of budget)▪ 16.5 WY (18.2% of personnel) |
| <u>Landlord-Tenant Mediation</u> Mediate, and where necessary send to adjudication, Landlord-Tenant disputes. | <ul style="list-style-type: none">▪ \$1,059,800 (1.8% of budget)▪ 9.8 WY (10.8% of personnel) |
| <u>Federal Programs</u> Administer three Federal programs: Community Development Block Grants, HOME Investment Partnership Program, and emergency Shelter Grants Program. | <ul style="list-style-type: none">▪ \$4,782,630 (8.1% of budget)▪ 8.3 WY (9.2% of personnel) |
| <u>Licensing and Registration</u> License rental facilities (fee service) | <ul style="list-style-type: none">▪ \$340,910 (.6% of budget)▪ WY 3.5 (3.9% of personnel) |



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Fiscal Year 2008 Savings Plan

- Total FY08 Reduction: \$137,580 (2.4% savings)
 - Savings
 - Increase lapse assumption based on current and expected vacancies
 - Effects
 - Reduced code enforcement and a slight increase in response times to complaints.
 - The department activities related to Hispanic/Latino outreach, housing fairs, and foreclosure assistance are being reallocated.
 - Reduced business development activities, including assistance to private business, leveraging private funds, and commercial revitalization.

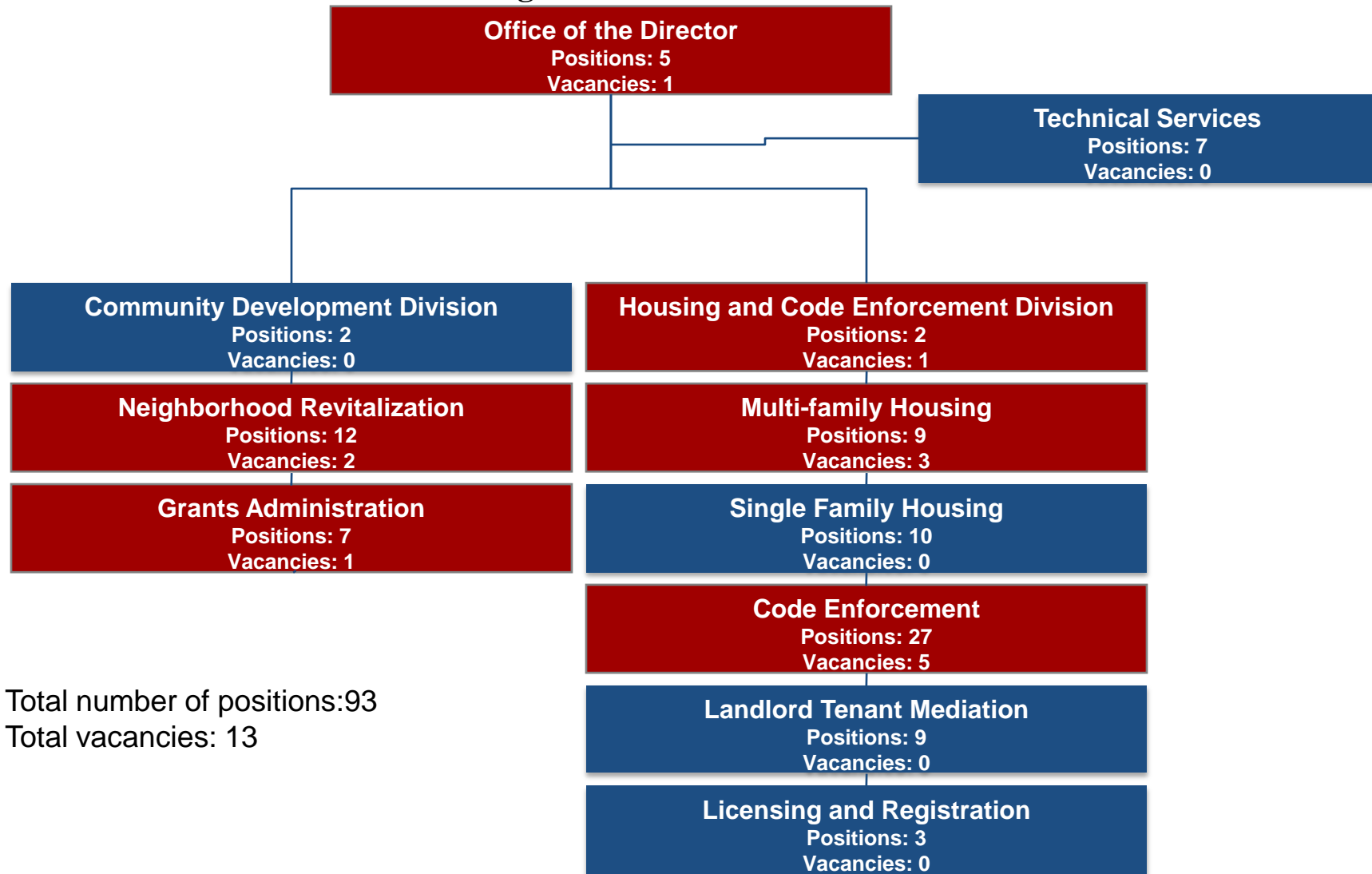


Hiring Freeze

- Impact
 - The department activities related to Hispanic/Latino outreach, housing fair, and foreclosure assistance are being reallocated.
 - Reduced business development activities, including assistance to private business, leveraging private funds, and commercial revitalization.



Montgomery County Department Housing and Community Affairs Organization Chart



Total number of positions: 93

Total vacancies: 13



Fiscal Year 2009 Savings Plan

- Total Fiscal Year 2008 Reduction: \$278,170
- Impact
 - The department activities related to Hispanic/Latino outreach, housing fair, and foreclosure assistance are being reallocated.
 - Reduced business development activities, including assistance to private business, leveraging private funds, and commercial revitalization.



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New Headline Measures

1. **Number of affordable housing units**
 - Produced
 - Preserved
2. **Cost per unit of affordable housing**
 - Produced
 - Preserved
3. **Percent of cases that achieve voluntary compliance in code enforcement cases before a citation is written.**
4. **Number of code enforcement repeat offenses**
 - Single Family
 - Multi Family
5. **Number landlord tenant cases referred to commission**
6. **Average length of time required to conciliate landlord/tenant disputes**
7. **Gains achieved in neighborhoods receiving DHCA neighborhood revitalization funding/services.**



Old Headline Measures

1. Housing Initiative Fund Production
2. Code Enforcement Cases
3. Code Enforcement Violations
4. Landlord Tenant Cases Filed
5. Landlord Tenant Cases Referred



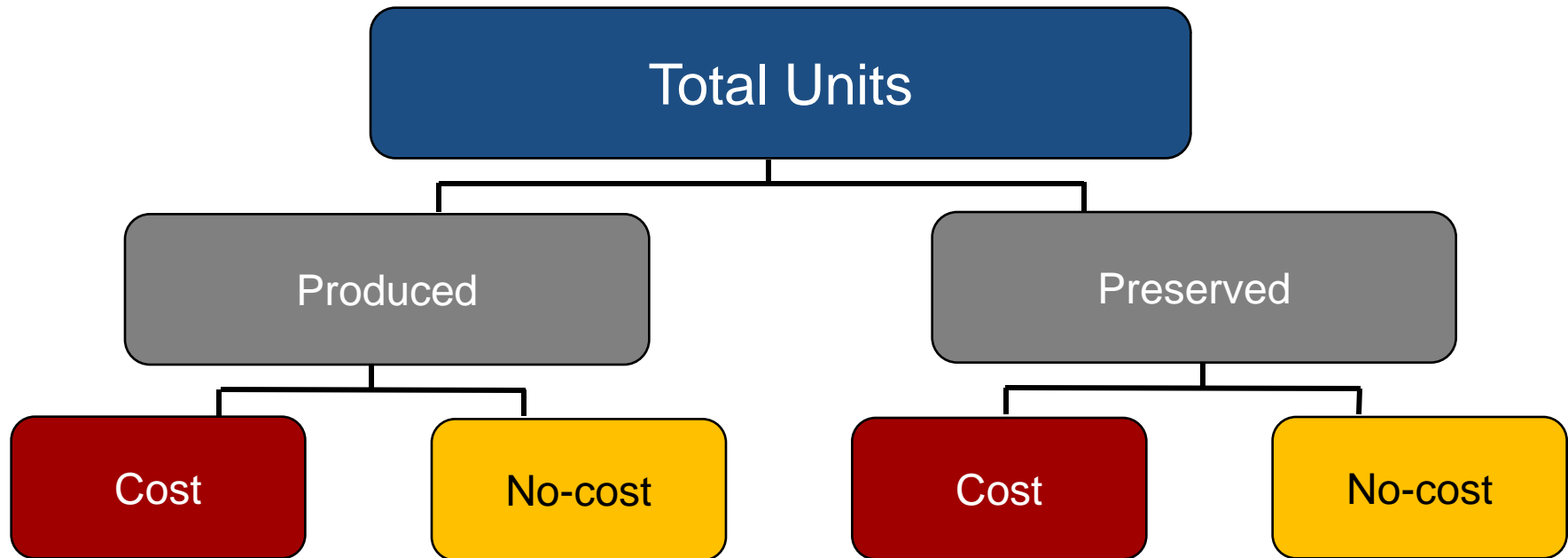
Strategy for Development of Measures:

- Goals
 - Analyze data collected by DHCA programs
 - Develop useful measures around these programs.
 - Create agreement about variables.
 - Track programs and monitor progress.
 - Report on the degree that measures affect indicators.



Performance Measure 1:

Number of Affordable Units



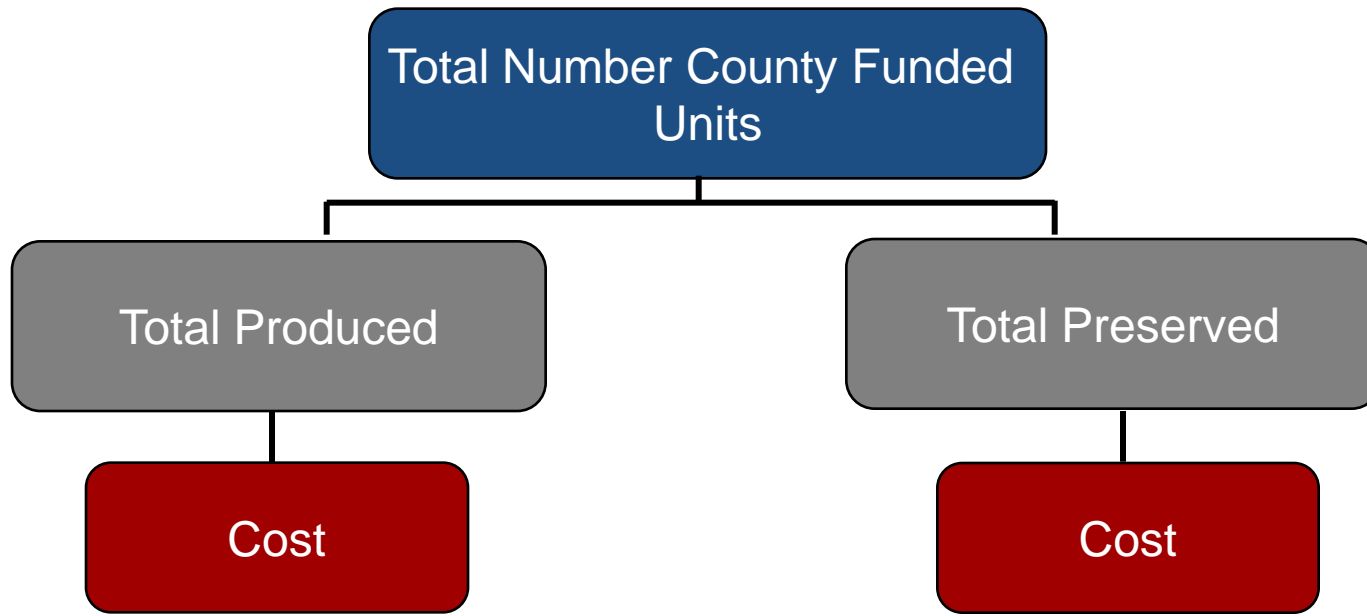
Performance Measure 1: Number of Affordable Units

- **Production and preservation of affordable units is a primary goal of DHCA's programming.**
- **Steps necessary in order to begin data collection & analysis**
 - Define what is meant by “Produced” and “Preserved”
 - Produced
 - MPDUs are counted as produced when the offering agreement is signed.
 - All other units are counted as produced when occupied.
 - Preserved
 - Fiscal expenditures - costs
 - Regulatory production- no costs
 - We have determined that for MPDUs will be counted as produced units regardless of who purchases them.
 - Identify data source
 - Ensure that produced and preserved units are not double counted.
 - Units have multiple funding sources, and may be listed in multiple databases.
 - Collect data

Establish a baseline of affordable housing units for use in future analysis



Performance Measure 2: Cost per unit of affordable housing



Measure 2 uses the cost subset of the universe of produced and preserved units identified in Measure 1



Performance Measure 2:

Cost per unit of affordable housing

- **Measuring how cost effectively the county is producing affordable housing units is essential to the successful implementation of DHCA's performance plan.**
- **Steps necessary in order to begin data collection & analysis**
 - Determine how costs will be attributed to the units
 - Count only units which are produced and preserved using county funds
 - Will not include units produced through regulatory programs such as the MPDU program
 - Measure county dollars spent per unit
 - Identify data source
 - Databases for HIF, HOME, etc.
 - Collect data

Enable DHCA to identify ways to improve the county's cost per unit



Performance Measure 2:

Units Assisted Through HIF

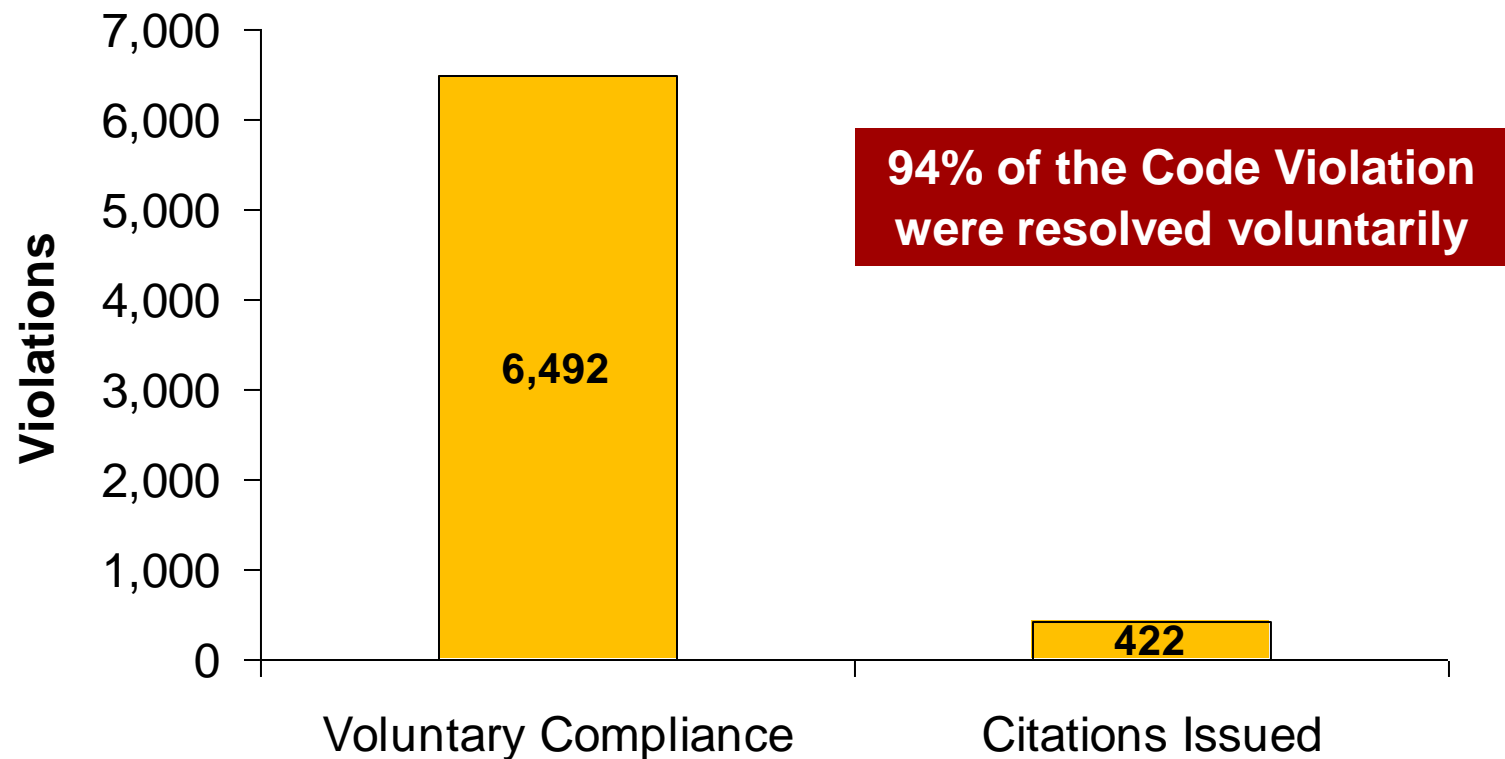
| Fiscal Years | Total County Expenditure | Units Preserved/ Constructed* | County Cost per Unit |
|--------------|--------------------------|----------------------------------|----------------------|
| 2003 | \$17.8 Mil. | 3,183 | \$ 5,592 |
| 2004 | \$23.2 Mil. | 2,986 | \$ 8,367 |
| 2005 | \$19.5 Mil. | 2,568 | \$ 7,621 |
| 2006 | \$23.1 Mil. | 2,557 | \$ 9,004 |



Performance Measure 3:

Percent of cases that achieve voluntary compliance in code enforcement cases before a citation is written.

Code Violation Cases Closed in 2007



Performance Measure 3:

Percent of cases that achieve voluntary compliance in code enforcement cases before a citation is written.

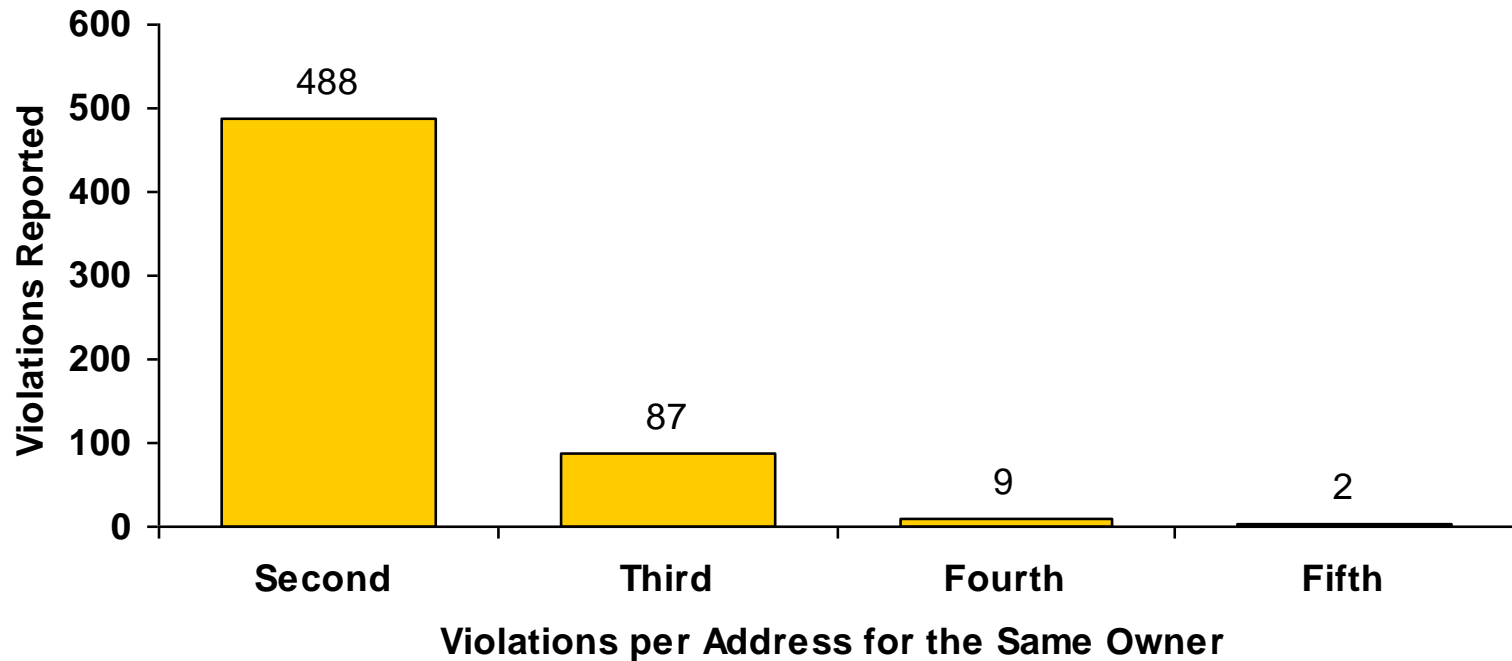
- **Steps necessary in order to begin data collection & analysis**
 - Define “voluntary compliance”
 - Violation is rectified before a citation is written
 - Identify data source
 - Code enforcement database
 - All code violations reported
 - Violations where citations were not issued
 - Collect data

Determine if the time period for voluntary compliance should be shortened or lengthened based on analysis



Performance Measure 4: Number of code enforcement repeat offenses

Single Family Code Violations Repeated
during 2006 and 2007



Measure 4 uses a subset of the universe of code violations identified in Measure 3



Performance Measure 4:

Number of code enforcement repeat offenses

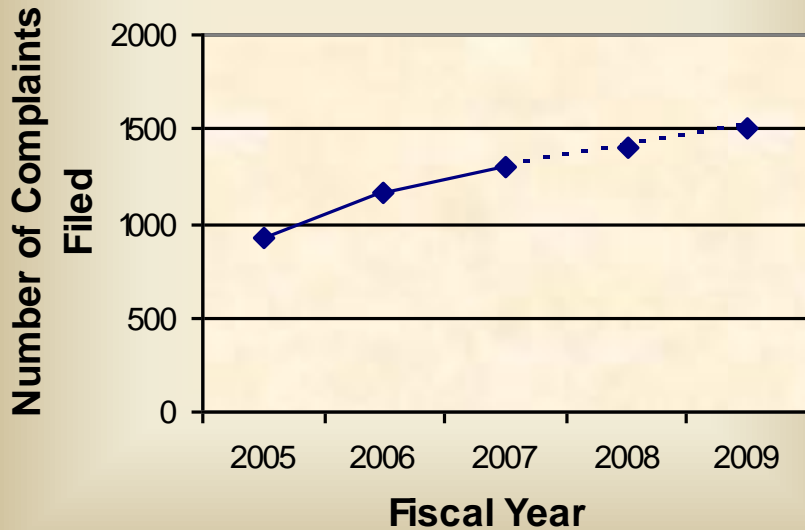
- **Steps necessary in order to begin data collection & analysis**
 - Define the universe of code offenses, and the subset that will be analyzed
 - Total single family properties that received violations
 - More than one violations under the same owners name for a given property
 - Define the time frame
 - “Repeat offenses” is defined as more than one violation within two fiscal years
 - Identify data source
 - Code enforcement database
 - Collect data
 - Multi-Family properties
 - Under Construction

Analyze data for spatial patterns for repeat violations and to determine if penalties for repeat violations need to change

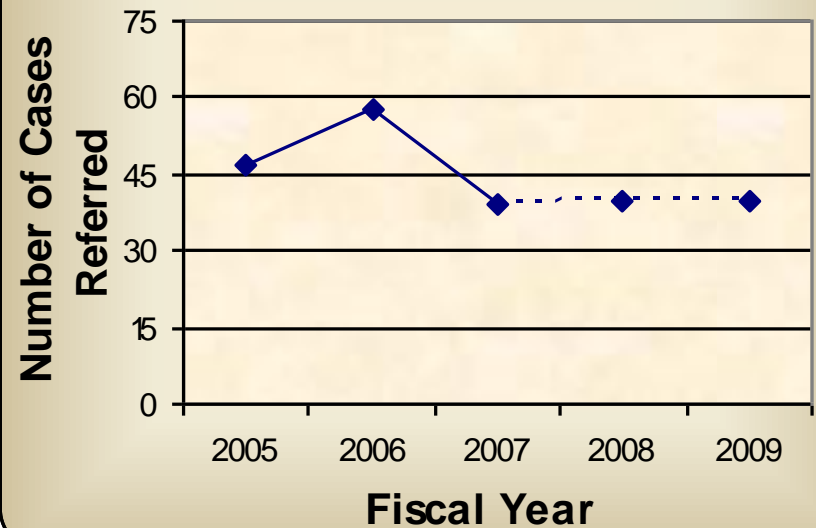


Performance Measure 5: Landlord Tenant cases referred to the Commission

Landlord Tenant Cases Filed



Landlord Tenant Cases Referred*

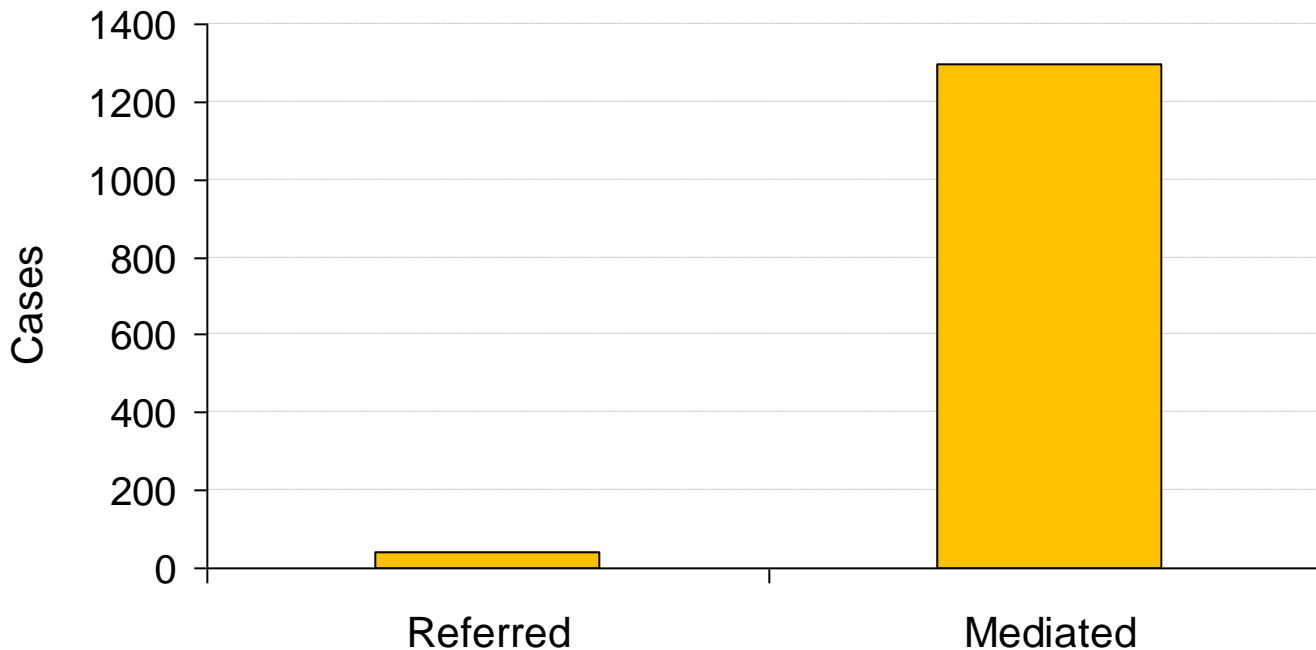


This measure is finalized. Data is currently being collected and will be tracked over time.



Performance Measure 6: Average length of time required to conciliate landlord/tenant disputes that do not go to the commission.

Resolution of Landlord Tenant Cases (2007)



Performance Measure 6:

Average length of time required to conciliate landlord/tenant disputes that do not go to the commission.

- **Steps necessary in order to begin data collection & analysis**
 - Define the universe Landlord Tenant cases, and the subset that will be analyzed
 - All cases filed within a given fiscal year that are resolved in mediation
 - Identify data source
 - Identify different steps in the Landlord Tenant mediation process,
 - Case filed
 - Administrative time
 - Mediation schedule
 - Collect data

Determine if different parts of the process can be shorted, and determine individual mediator effectiveness based on analysis



Performance Measure 7:

Gains achieved in neighborhoods receiving DHCA neighborhood revitalization funding/services

- **Renewal of older neighborhoods and aging commercial areas is a goal of DHCA's programming**
- **Steps necessary in order to begin data collection & analysis**

Develop Indicators

- Develop neighborhood indicators to determine which areas are in most need of revitalization
 - Code violations
 - Crime
 - Etc.
- Develop a neighborhood ranking system based on the indicators

Determine based on rank where funding/services are more likely to make measurable gains



Performance Measure 7:

Gains achieved in neighborhoods receiving DHCA neighborhood revitalization funding/services

Perform Neighborhood Survey

- We will develop and administer a windshield survey that measures several variables that, when taken together, comprise “gains in revitalization”
 - Baseline data on the target areas will be collected through a Pre-test.
 - A post-test will be performed after the funding/services are utilized to determine if the area is perceived to have improved.



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Strategy for Development of Measures:

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Topics for Future Analysis: Code violations in affordable housing units.

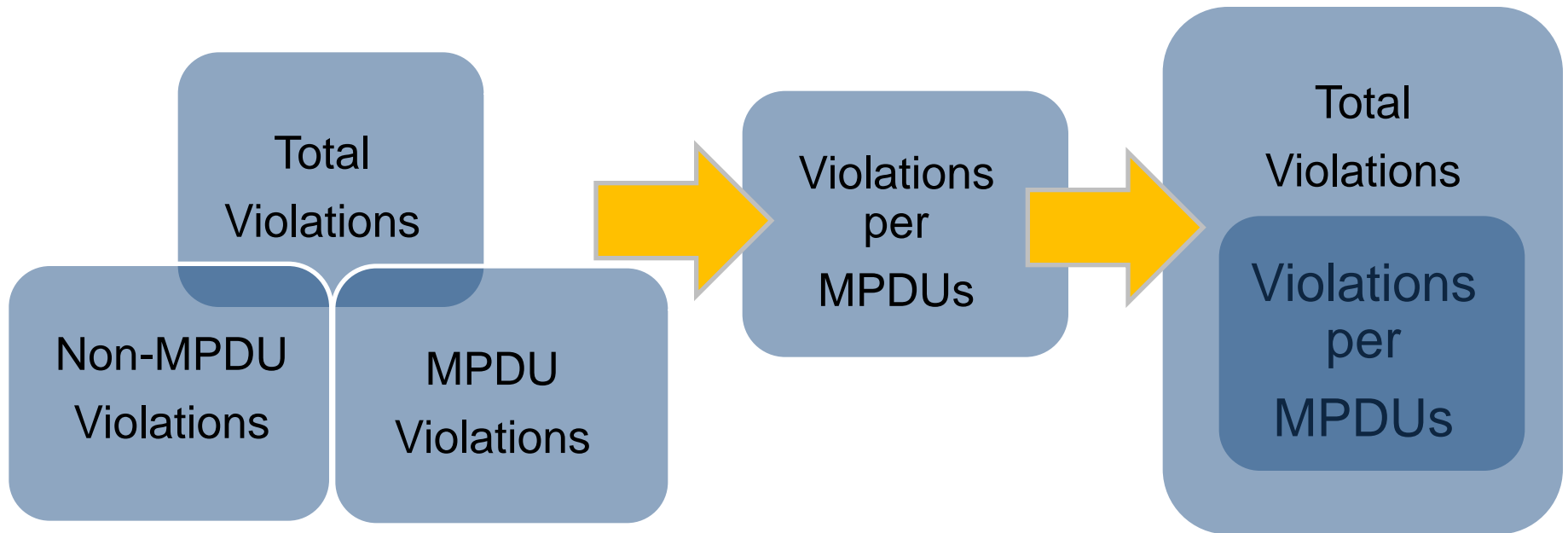
- Thesis: There is a perception that affordable housing units are more likely to violate county codes
- Analysis of code violations (single and multi-family) cross referenced with MPDU addresses
- Test for statistical significance to determine the strength of the relationship between the variables

Assist DHCA in addressing community concerns regarding the placement of affordable housing units



Topics for Future Analysis: Code violations in affordable housing units.

SAMPLE DATA



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Wrap-Up

- Confirmation of follow-up items
 - Develop definitions (as needed)
 - Finalize performance measures
 - Develop methodology for data collection
 - Collect data
 - Begin analysis of DHCA's performance
- Time frame for next meeting

